

SECRET

LPH

18 August 1959

MEMORANDUM FOR THE RECORD

**SUBJECT: Visit with Arthur B. Focke, General Counsel,
Bureau of the Budget**

1. Met with Arthur B. Focke, General Counsel, Bureau of the Budget, to discuss Agency problems in the event of an executive order of general applicability relating to the Industrial Security Program. I briefed him on Agency sterile and Government sterile contracting procedures and indicated we had been highly successful in handling security of individuals employed by contractors. He recognized our problems immediately. He thought that if the order were to be expanded from DOD and NASA, probably it would be by listing specific agencies thus not singling out CIA for an exemption. He also indicated that the statutory authority of the Director to protect intelligence sources and methods could not be overcome by an executive order. However, he appreciated the interpretation problem that might be involved. In any event he will advise when the matter has moved forward.

2. Briefed Focke on our problems in securing the executive order designating the Agency to transmit Restricted Data. Mr. Focke suggested that at the point we believe we have exhausted the possibilities of securing concurrence, we should simply request an executive order to meet our needs justifying it and possibly some of the apparent objections will either resolve themselves or evaporate.

cc: *Para. 1 - Security*
OGC Subject
LC Subject
Chrono.

Legislative Counsel

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